The Saturday Review

Financial Supplement

Conducted by Hartley Withers

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The Outlook

Nothing could show more clearly the jaded cynicism with which financial opinion has been imbued by recent experiences than the apathy with which the City has received the proposals for disarmament put forward by President Harding and accepted in principle by the British representative. There was a time when such a proposal, whether the City liked it or not, would have been quickly seized on as at least a possibility through which a great saving could be secured for the public purse, and consequently a " bull point " for Government securities. As it was because money happened to be—temporarily according to the general view—decidedly scarce, while new issues were coming forward rapidly, because Ireland was a cause of deep anxiety, and, above all, because the Government has taught operators to expect that whatever it saves on the swings it will muddle away on the probably less desirable roundabouts, Government securities were a rather listless market and the net financial effect of President Harding's appeal for a navy-building holiday was a fall in armament shares, which were already somewhat out of favour.

The Government and the Money Market

Revenue exceeded expenditure last week by a trifle, both being at a comparatively low figure. The Treasury, however, continued to sell its $5\frac{1}{2}$ per cent. bonds at a very satisfactory rate, though its score of 14 millions was not as good as the previous week's. It also sold six million more Treasury bills than matured, and so was enabled to reduce Ways and Means advances by 22 millions, of which $18\frac{1}{2}$ were repaid to the Bank of England, bringing down the total owed to it in this form to six millions. If the condition of the money market is a trustworthy guide to the position, it seems possible that next week's return will show that these six millions have now been wiped out and that the Bank of England's advances on Ways and Means now stand at zero. If so, the basis of credit will have been reduced by no less than $73\frac{3}{4}$ millions during the course of four weeks. Such are the conditions under which a money market works when its basis of credit is largely supplied by the Government's impecuniosity. One of the consequences of this state of things is that the market is generally full of queer gossip about the devious methods with which the Government is alleged to be setting traps for it, or trying to mitigate the effects of its own machinations. Having first enormously expanded the market's resources by borrowing from the Bank on Ways and Means when it might easily have sold more Treasury bills, and having then cut them down with the catastrophic rapidity above recorded, the Government has lately been rumoured to have been lending money or buying January bills—of which a very large line was offered—so as to prevent borrowers having to go to the Bank of England, and so calling public attention to the present stringency. These stories have probably no foundation whatever, but their circulation was assisted by another —which seems to have been true—that when a borrower did go to the Bank early in the week he was advised to come again later and try to find the money elsewhere in the meantime. This probably merely good-natured effort on the part of the Bank to save a customer a little money was made the most of at a time when the market's nerves are harassed and bewildered by its utter inability to guess what the Treasury will do next, and by its feeling that so much happens behind the scenes that it is useless to try to take a reasoned view of the probabilities. Why, it asks further, has the Government only offered 40 millions of Treasury bills for tender when it is calculated to have nearly 90 millions to meet next week? Does it know that it can find the odd 50? If so, where? If not, does it mean to make money easy by expanding Ways and Means advances from the Bank of England again?

Reaction in Stock Markets

Last week's brighter sentiment in the stock markets did not wear well. As noted above the Washington news, which certainly would have been hailed as a useful lever for an upward hoist if the House had been in the right mood, fell entirely flat here, though towards the end of the week its effect in Wall Street, shown by a rise in the sterling to over four dollars, began to be reflected on this side. The early days of the week found flabby and dispirited markets each with its special cause of depression. Ireland, and the many new issues, appearing and expected, and the extent to which the Treasury by repaying Ways and Means Advances for the Bank of England had diminished the basis of credit by wiping out " Bank of England money "—all these influences saddened the investment markets. The clamour of traders concerning the effect of high transport charges in checking industry—exemplified in a special article in this month's *Bulletin* of the F.B.I.—very quickly damped the mood of the Home Railway department. Argentine Rails were still affected by strained relations between the companies and the Argentine Government. Kaffirs went down with the gold premium and the rise in sterling in New York; and Oil shares showed marked weakness because the Royal Dutch Company is taking powers to pay dividends wholly or partly in scrip, which made operators hastily assume that promises to pay were henceforward to be the only form of return on this and all other oil shares. Armament Companies dropped, on the proposed navy building holiday, but tea and rubber showed exceptional strength. Later in the week Kaffir shares were cheered by news indicating a satisfactory settlement of the labour difficulty, and all Mexican securities came into demand on the announcement that the Mexican Railway Company is preparing a scheme involving the payment of interest on the First and Second Debentures.

INDUSTRY AND PRICES

Sir Frederick Mills, chairman and managing director of the Ebbw Vale Steel, Iron and Coal Company, has been bold enough to express, to a correspondent of the *Morning Post*, views that may almost be called cheerful about tne industrial outlook. He profound'y believes that anyone who can make an article and sell it at a reasonable price will find a market for it, even in these times. " Industry, therefore, depends upon the ability of capital and labour to get the cost of production down. In the middle of last year steel in this country was six times the pre-war price. To-day it is only about 50 or 60 per cent. above the pre-war price. The simple question is, 'Can we make it?' because we have already proved that we can sell it, at that figure, and already this month the Ebbw Vale works are running at pre-war output." Sir Frederick went on to show that a very large proportion of the cost of production of any article, carried to its ultimate point, consists of labour. In coal it is clearly over 90 per cent., and in steel it is very near this figure. In the main, both in the coal and steel side of the works, the workers have met the new situation, though some of their leaders still cling to some of the conditions which, with the assistance of the Government, they forced the industry to grant during and after the war. Sir Frederick advises them to drop these conditions as soon as possible, because " industry in this country, so long as it has to compete with the Germans and others who are admittedly working long hours for low wages, will have to accept, labour as well as the rest of us, worse conditions than we all think we are entitled to, after the period we have gone through." Like most other experts who look out over the troubled sea of to-day's economic conditions, Sir Frederick cites cheaper coal as a first necessity, and suggests a return to the eight hours day, " at all events until it is clearly demonstrated that the industry can afford better conditions."

THE TRAGEDY OF COAL

A TRAGEDY is no less a tragedy because it overtakes us as a consequence of our own faults. Had there been no stoppages in coal production since the Armistice, had those who controlled coal exports been less greedy to exploit the necessities of a Europe starving for fuel, had coal miners been less intent upon forcing up their pay and forcing down their hours of work, there would still have been depression in general trade and in the coal industry, but we might have been spared chaos and tragedy. The last desperate fight which lasted for three months (April to June) put out fires in industry which have not yet been rekindled; it gravely injured all classes; to the miners themselves it has brought black disaster.

This is the spectacle which may be seen now in the coal areas which a year or two ago were revelling in artificial prosperity. Nearly two hundred thousand men are unemployed through the closing of pits which, in all human probability, never will be re-opened—180,000 men are workless and with no prospect of work at their trade. Seven to eight hundred thousand men are on short time, working three or four shifts a week instead of the normal five and a half and being paid only for the shifts that they work. About two hundred thousand, the most fortunate, are still busy on full time in the richer pits. That is the outline; now for some details. Wages, held up for three months by the Government subsidy, are tumbling down to the bedrock minimum in the agreement of June last. In December they will have reached that minimum in many areas, if not in all. No one out of daily touch with the coal industry can hope to understand miners' wages. In December they will be down or nearly down to " twenty per cent. above the basis of 1915 "—which means that, working four shifts a week instead of five and a half, the weekly earnings of the men will be little if at all more than half they were in March last before the frantic and futile stoppage began. In the purchasing power of their wages the miners will be worse off undoubtedly, perhaps much worse off, than they were before the war. Individually and collectively they are loaded up with debts. That is part of their tragedy, not all.

The most cruel part—though it is a part which carries with it hope for the future—is that the coal getters, the hewers at the coal face, are toiling now for their poor earnings harder than they have ever toiled before. They are spurred by the sharp rowels of necessity. In eagerness to reap the fullest harvest of piece rates during short time they are turning out as much per shift of seven hours as they did before the war in eight hours. This may seem astonishing; it is astonishing. The high mark of coal production in the bumper year of 1913 was a ton per man per shift of eight hours. The rate of production fell steadily after the Armistice to 13 cwts. per man per shift, early this year. It is now, on the average, one ton per man per shift of seven hours. In spite of the numbers unemployed, and the short time of 75 per cent. of the remainder, the weekly output of coal is as large now as it was before the stoppage.

We see before us in the coal industry the ruthless operation of inexorable economic laws. During the war the Prime Minister is reported to have declared that he did not believe in economic laws. He must now believe and tremble. Subsidies are worse than useless. Mr. Frank Hodges's appeals for them including more of State money in aid of wages, or for the levelling of pithead prices by means of State grants, would if allowed, merely postpone the ending of the tragedy. Out of the present sufferings of the coal miners and of the coal owners—for they also suffer though less poignantly—will ultimately come the rebirth of the industry. Already we see how it will come. The high prices of coal have gone far to destroy the home and foreign demand. Prices are now tumbling down as wages tumble. Other costs, including those of railway transport, must also fall. Next month the pithead costs of coal per ton, with wages at the agreed minimum, will range from about 17s. 6d. to 21s. per ton. Nine months ago they ranged from 31s. to 38s. South Wales steam coal is being exported at 28s. a ton in comparison with 75s. little more than a year ago. Mr. Askwith, an auditor of the National Wages Board, declares that we are within sight of export coal at 20s. a ton, free on board. His figures are challenged, but even the coal owners " concede " 26s. as a possible figure. With much cheaper coal all round the export markets must revive —in spite of the recent arrangement between France and Germany—and trade at home struggling to its feet will get the help of a powerful hand. So the tragedy, black as it looks, is not all tragedy; the curtain has not yet risen for the last Act in which British trade will prosper under the impetus of cheap coal, and the miners, with demand for coal renewed will, most of them, pass from short time to full employment. Some will never get back to the pits; and for the others earnings will not be those of the artificial boom years.

FINANCIAL FLABBINESS

IN the " City Facts and Figures " column of the *Morning Post* of last Tuesday some observations were quoted as having been made in New York by Mr. E. F. Davies, Managing Director of the Banco Nacional Ultramarino, from which it appears that in his opinion the impoverished countries of Europe have got their finances into such a state that the balancing of Budgets is an impossibility for them in future. Since our contemporary describes Mr. Davies' remarks as " very sensible," it would appear that it endorses this melancholy conclusion. " It is all very well," Mr. Davies said to an American interviewer, " to insist that the necessitous countries of Europe must balance their Budgets, but the adverse trade balance of these countries means that there is more demand for foreign currencies than the market supplies; consequently the

debtor countries find their exchange always depreciating and the depreciated exchange increases the cost of living, the cost of Government services, and the cost of all imports. In order to meet the increased expenditure the printing press is resorted to, which still further depreciates their exchange by creating lack of confidence. This vicious circle makes it impossible to balance Budgets."

If these things are so there appears to be nothing ahead for the impoverished countries—unless investors in the solvent ones are prepared to lend them money on a scale which seems unlikely and with a restorative success that is still more so—except continued depreciation of their currencies culminating in complete worthlessness, as has already happened in Russia. Is it really necessary that those in charge of the finances of these hapless lands should sit with folded hands and wait for this catastrophe, and is it desirable that our bankers and writers should encourage them to do so, by telling them that thereby they are only accepting the inevitable? Surely there is much too much all over the world of this flabby feebleness in the face of the present financial situation. We have suffered from it ourselves in this country, when in the autumn of 1919 Mr. Chamberlain, then Chancellor of the Exchequer, warned the House of Commons, in sensational terms, of the state of the national finances, introduced the word "bankruptcy" into the vocabulary of his exalted office, and then let things drift without the smallest attempt to increase revenue or cut down expenditure. Since then, largely owing to the evident determination of the country not to tolerate the present scale of taxation, and the sure prospect that this scale will produce less revenue in future, our rulers have determined to take the obviously sensible course for all individuals and institutions that find their revenue dwindling, and cut down their outlay. Is there any reason why our impoverished neighbours should not do the same?

Nations in such a position when they apply a remedy by imposing fresh taxation are met by the difficulty that nearly all taxation takes time to collect, and that this is especially so in the case of levies on capital and similar devices. When the currency is depreciating this means that by the time the tax is collected its effect has been profoundly modified by being paid in money which is worth, perhaps, half as much as when the tax was designed; and in the meantime the Government has been, or thought itself to be, obliged to accelerate this process by printing paper to fill the gap. In the case of Germany this difficulty has often stood in the path of those who have struggled with her Budgets. But Germany, though we do not believe that she is, as is so often asserted, really working to make her financial position more disastrous, certainly has a strong reason, in the shape of the reparation payment, why measures for righting the position should be less energetically pressed than they would be if they were not certain to encourage financial Chauvinism among her Entente creditors.

If increasing taxation thus to a great extent defeats itself as long as the printing press is allowed to work unchecked before the increased taxation is collected, it is clear that the method already indicated, of cutting down expenditure, has to be used with all the more promptitude and severity. The usual answer to this humdrum suggestion—that it is impossible—is, of course, no answer at all. Our own official apologists gave it over and over again, when they invited their critics to name even five millions' worth of practicable retrenchment; but when they were sufficiently frightened by public opinion, they got to work, or rather set the Geddes Committee to work, to do the thing which has to be done. Mr. Davies seems to have been telling the impoverished countries that if things cost more they are compelled to issue more notes in order to buy them, but he surely forgets that the policy of going without is one which might be given a much more serious trial. For when we are told it is impossible we not only have good grounds for not believing it, but we also know that sooner or later the impossible will have to be done. If this vicious circle, of which Mr. Davies speaks, could continue to revolve indefinitely, those who maintain that it is the only possible system might have some ground for their belief. But it obviously cannot so continue. The time comes when it ceases to work and the impossible has to be achieved to the accompaniment of bankruptcy and repudiation. As to the ground of our scepticism concerning the alleged impossibility we have not only the experience of our own Government's performances to back it, but it is commonly stated by people who have lately been abroad, that the extravagance of the impoverished Governments in the matter of the outlay that they permit on the part of their diplomatic representatives and their staffs is evident to all the world and a cause of common comment. Like a good deal of other sound doctrine—including the insistence on Free Trade for the economic recovery of the world—this simple process of stinting expenditure was emphatically preached more than a year ago at the Brussels Conference, was piously endorsed by all the Governments concerned, and has since then been largely ignored as a tiresome and inconvenient anachronism. It is high time that it should be put rigorously into practice to the point at which, by making the printing press unnecessary, it brings in sight the first essential to the "stabilisation" which so many people are trying to secure by financial short cuts which are likely to do more harm than good.

In the meantime this financial flabbiness is poisoning the minds of those concerned to such a degree that they do not even attempt to take the necessary steps to secure the financial assistance which might be given to them on credit if they carried out the necessary preliminaries. It is more than a year since the Ter Meulen scheme was first put before the world, and as far as one can discover none of the nations which might have availed themselves thereof have made the smallest attempt to do so by pledging the necessary assets. In the case of Austria there has been delay owing to the prior liens upon her resources established by certain Powers which lent her assistance at the time when her distress was most acute. The necessary surrender of these liens, as a preliminary to the first charge on the assets of the borrowing country, required under the Ter Meulen scheme, has been carried out apparently by all the Powers concerned except the United States. That our American cousins should thus, by the slow moving of their official machinery, be delaying the consummation of an arrangement with which they are believed to be thoroughly in sympathy, is an interesting comment on the hustling methods with which they are usually credited. But Sir Drummond Fraser, the organizer under the Ter Meulen scheme, points out in a letter to the *Morning Post* of last Wednesday that "there is no reason why other war-worn countries should delay their application for the issue of International Credit bonds until America's liens on Austria are released. The remedy lies in the hands of the borrowing coutries. What countries like England, America, France, Italy, Japan, etc., should do is to bring pressure upon the countries with demoralised currencies to apply for the issue of International Credit (Ter Meulen) bonds. In doing so these countries will not lose their sovereignty rights, but their importers will get the goods necessary for internal productivity and for the re-creation of their export trade." No doubt Sir Drummond is right, but it is surely a somewhat extreme example of financial flabbiness on the part of the distressed Powers that they should have to be urged by their more solvent neighbours, not to do anything inconvenient like balancing their Budgets, but even to take the necessary measures for promoting their own recovery by borrowing abroad.

FIGURES AND PRICES

PAPER MONEY (in millions)

		Latest. (1921.)	Previous. (1921.)	Oct. 31, 1920.
European Countries.				
Austria	Kr.	80,746	77,292	28,072
Belgium	Fr.	6,135	6,111	5,793
Bulgaria	Leva (Bank)	3,194	3,194	3,391
Czecho-Slovakia	Kr.	12,327	11,206	10,947
Denmark	Kr.	493	482	555
Finland	Mk.	1,363	1,357	1,333
France	Fr.	37,376	37,155	38,573
Germany	Mk.	91,527	88,144	63,596
Great Britain	£'s (B.ofE.)	104	105	109
,, ,,	(State)	313	314	349
Greece	Dr.	2,051	1,950	1,479
Holland	Fl.	1,054	1,056	1,059
Hungary	Kr.	23,643	22,882	11,889
Italy	Lire (Bank)	17,879	17,814	19,301
,,	,, (State)	2,268	2,269	2,269
Norway	Kr.	411	407	478
Poland	Mk.	152,800	152,800	38,457
Portugal	Escudos	676	666	557
Roumania	Lei	12,496	12,401	8,907
Serbia	Dinars	4,495	4,407	—
Spain	Pesetas	4,343	4,292	4,218
Sweden	Kr.	640	629	773
Switzerland	Fr.	950	970	997
Other than European.				
Australia	£'s	58	58	54
Canada	$ (Bank)	183	183	249
,,	,, (State)	269	269	320
Egypt	£'s (E.)	29	30	44
India	Rupees	1,797	1,791	1,596
Japan	Yen	1,230	1,123	1,192
New Zealand	£	8	8	8
United States Fed. Res.	$	2,408	2,409	3,349

GOVERNMENT DEBT (in thousands)

	Nov. 12, '21.	Nov. 5, '21.	Nov. 13, '20.
	£	£	£
Total deadweight	7,737,927	7,738,401	7,734,203
Owed abroad	1,091,035	1,091,035	1,154,579
Treasury Bills	1,122,167	1,116,812	1,089,054
Bank of England Advances	6,000	24,500	55,750
Departmental do.	189,408	192,758	186,964

Note.—The highest point of the deadweight debt was reached at Dec. 31, 1919, when it touched 8,033 millions. On March 31 last it was 7,574 millions. Of the increase shown since then 102 millions represent a nominal addition, due to a conversion scheme.

GOVERNMENT ACCOUNTS (in thousands)

	Nov. 12, '21.	Nov. 5, '21.	Nov. 17, '21.
	£	£	£
Total Revenue from Ap. 1	550,828	540,678	761,399
,, Expenditure ,, ,,	612,497	603,079	666,822
Surplus or Deficit	—61,669	—62,401	+94,577
Customs and Excise	195,693	191,251	197,247
Income and Super Tax	161,129	159,729	144,310
Stamps	9,104	8,648	15,870
Excess Profits Duties	29,714	29,714	133,651
Post Office	30,000	28,500	29,750
Miscellaneous—Special	61,169	60,169	184,357

BANK OF ENGLAND RETURNS (in thousands)

	Nov. 16, '21.	Nov. 9, '21.	Nov. 17, '20.
	£	£	£
Public Deposits	20,067	17,893	19,509
Other ,,	106,038	105,013	116,278
Total	126,105	122,906	135,787
Government Securities	35,726	37,302	63,786
Other ,,	84,823	80,833	75,166
Total	120,549	118,135	138,952
Circulation	123,587	124,404	127,570
Do. less notes in currency res.	104,137	104,954	108,820
Coin and Bullion	128,434	128,421	121,972
Reserve	23,296	22,468	14,600
Proportion	18.4%	18.2%	10¾%

CURRENCY NOTES (in thousands)

	Nov. 16, '21.	Nov. 9, '21.	Nov. 17, '20.
	£	£	£
Total outstanding	313,065	313,118	350,423
Called in but not canclld.	1,803	1,814	2,944
Gold backing	28,500	28,500	28,500
B. of E. note	19,450	19,450	18,750
Total fiduciary issue	263,312	263,354	300,229

Note.—The maximum fiduciary issue for 1921 has been officially "fixed" at £317,555,200.

BANKERS CLEARING RETURNS (in thousands)

	Nov. 16, 21.	Nov. 9, '21.	Nov. 17, '20.
	£	£	£
Town	592,725	546,348	571,160
Metropolitan	30,169	32,635	37,465
Country	56,388	63,396	74,420
Total	679,282	642,379	683,045
Year to date	30,757,439	30,078,157	34,577,643

LONDON CLEARING BANK FIGURES (in thousands)

	Oct., '21.	Sept., '21.	Aug., '21.
	£	£	£
Coin, notes, balances with Bank of England, etc.	221,136	251,378	254,379
Deposits	1,846,153	1,806,910	1,814,710
Acceptances	51,447	49,986	47,738
Discounts	413,012	383,280	397,567
Investments	320,608	315,476	322,032
Advances	804,586	816,724	804,371

MONEY RATES

	Nov. 7, '21.	Nov. 3, '21.	Nov. 17, '20.
	%	%	%
Bank Rate	5	5	7
Do. Federal Reserve N.Y.	4½	4½	7
3 Months' Bank Bills	3 15/16-4	4	6 11/16
6 Months' Bank Bills	4-4⅛	4-4⅛	6¾-⅞
Weekly Loans	3½	3½	5½

FOREIGN EXCHANGES (telegraphic transfers)

	Nov. 17, '21.	Nov. 10, '21.	Nov. 17, '20.
New York, $ to £	4.00½	3.94⅜	3.46¼
Do., 1 month forward	4.00¾	395¼	—
Montreal, $ to £	4.38	4.28½	3.85
Mexico, d. to $	33d.	33d.	—
B. Aires, d. to $	44½d.	44¾d.	52½d.
Rio de Jan., d. to milrs	7¾d.	7⅝	11 13/16d.
Valparaiso, $ to £	36.90	36.00	—
Montevideo, d. to $	40¼d.	40⅛d.	53⅞d.
Lima, per Peru £	10 % prem.	12½% prem.	—
Paris, frcs. to £	55.20	54.25	57.47½
Do., 1 month forwd.	55.23	54.28	—
Berlin, marks to £	1032	1050	234½
Brussels, frcs. to £	57.00	56.65	54.27½
Amsterdam, fl. to £	11.37	11.38	11.48
Switzerland, frcs. to £	21.17	20.90	22.23½
Stockholm, kr. to £	17.13	17.15	18.06
Christiania, kr. to £	27.45	28.25	25.92½
Copenhagen, kr. to £	21.50	21.95	25.82½
Helsingfors, mks. to £	200	200	155
Italy, lire to £	95¼	95¼	90.75
Madrid, pesetas to £	29.15	28.10	26.75
Greece, drachma to £	97	95	37.65
Lisbon, escudo d.	5d.	5d.	8¾d.
Vienna, kr. to £	10,000	11750	1.100
Prague, kr. to £	365	370	270
Budapesth, kr. to £	3,900	4000	—
Bucharest, lei to £	575 nominal	600	243½
Belgrade, dinars to £	275	310	—
Sofia, leva to £	560	650	—
Warsaw, marks to £	13,500	11500	1.375
Cnstntnple, piastres to £	715	720	—
Alexandria, piastres to £	97½	97½	97½
Bombay, d. to rupee / Calcutta, d. to rupee	16¼d.	16 5/16d.	19⅜d.
Hongkong, d. to rupee	32d.	32d.	45¼d.
Shanghai d. to tael	45d.	45d.	60¾d.
Singapore, d. to $	27 13/16d.	27 21/32d.	27 11/16d.
Yokohama, d. to yen	28⅜d.	29⅛d.	35¼d.

UNEMPLOYMENT

	Nov. 4, 1921.	Oct., 28, 1921.	May 27, 1921.	Nov. 26 1920.
Men	1,327,700	1,251,000	1,468,537	378,284
Women	292,300	260,000	496,914	103,420
Juveniles	102,800	95,900	157,045	42,704
Total	1,722,800	1,606,900	2,122,506	524,408

COAL OUTPUT

	Nov. 5, 1921.	Oct. 29, 1921.	Nov. 6, 1920.
Week ending:	tons.	tons.	tons.
	4,182,400	4,210,200	756,300
Year to Date	130,331,000	126,148,600	189,833,600

IRON AND STEEL OUTPUT

	1921. Sept.	1921. Aug.	1920. Sept.
	tons.	tons.	tons.
Pig Iron	158,300	94,200	741,000
Do., yr. to date	1,829,100	1,660,800	6,005,700
Steel Ingots and Casting	429,300	434,100	884,700
Do., yr. to date	2,395,600	1,966,300	6,792,300

PRICES OF COMMODITIES

METALS, MINERALS, ETC.

	Nov. 17, '20.	Nov. 10, '21.	Nov. 17, '21.
Gold, per fine oz.	103s. 6d.	104s. 2d.	120s. 9d.
Silver, per oz.	38⅝d.	38¾d.	51d.
Iron, Scotch pig No. 1 per ton	£7.0.0	£7.0.0	£11.5.0
Steel rails, heavy ,,	£10.10.0	£10.10.0	£23.0.0
Copper, Standard ,,	£66.15.0	£66.2.6	£84.2.6
Tin, Straits ,,	£157.17.6	£157.7.6	£242.17.6
Lead, soft foreign ,,	£24.7.6	£23.17.6	£32.0.0
Spelter ,,	£25.17.6	£25.10.0	£35.0.0
Coal, best Admiralty ,,	26s.	27s.	Nominal.

CHEMICALS AND OILS

Nitrate of Soda, per ton	£14.13.9	£14.12.6	£23.10.0
Indigo, Bengal per lb.	12s.	12s. 6d.	15s. 6d.
Linseed Oil, spot p. ton	£27.5.0	£28.0.0	£55.0.0
Linseed, La Plata, shipment per ton	£14.17.6	£15.5.0	£26.10.0
Palm Oil, Benin, spot per ton	£32.5.0	£32.0.0	£46.0.0
Petroleum, water white, per gallon	1s. 5d.	1s. 5d.	2s. 4½d.

FOOD

Wheat, English Gaz. Avge. per 480 lbs.	44s. 2d.	44s.	90s. 3d.
Wheat, No. 2 Red Winter N.Y. p. bush.	120 cents.	115⅛ cents.	210 cents.

TEXTILES, ETC.

Cotton, fully middling, American per lb.	10.82d.	11.98d.	15.48d.
Cotton, Egyptian, FGF. Sakel per lb.	21.00d.	21.75d.	38.00d.
Hemp, New Zealand, spot per ton	£40.0.0	£42.0.0	£56.0.0
Jute, first marks ,,	£26.10.0	£27.0.0	£48.0.0
Wool, Australian, med. greasy per lb.	1s. 6d.	1s. 6d.	3s. 0d.
Leather, sole bends 12/14 lbs. per lb	3s. 2d.	3s. 4d.	2s. 9d.
Rubber, Standard Crepe per lb.	10⅜d.	10¼d.	1s. 1½d.

OVERSEAS TRADE (in thousands)

	ten months 1921. £	ten months 1920. £	%
Imports	912,468	1,650,813	— 44
Exports	580,927	1,119,573	— 48
Re-exports	88,025	196,592	— 55
Balance of Imports	243,516	334,648	— 27
Export cotton goods, value	145,584	341,643	— 59
Export woollen ,, value	47,074	115,689	— 59
Export coal value	32,708	84,601	— 61
Ditto quantity tons	16,757	21,269	— 21
Export machinery value	63,349	48,497	+ 30
Tonnage entered	30,914	30,276	+ 2
,, cleared	28,444	30,298	— 6

INDEX NUMBERS

Wholesale—(Economist).	Oct., 1921.	Sept., 1921.	Oct., 1920.	July 1914
Cereals and Wheat ...	956	1,119½	1,560½	579
Other Food Products (Tea, Sugar, etc.) ...	685	688	900½	352
Textiles	1,171	1,258	1,951½	616½
Minerals	816	871	1,316½	464½
Miscellaneous (Rubber, Timber, etc.)	960	987½	1,446	553
Total	4,588	4,924	7,175	2,565

Retail—(Ministry of Labour)—	Oct., 1921.	Sept. 1921.	Sept. 1920.	July. 1914.
Food only	200	220	270	100
All Items*	203	210	261	100

* Food, rent, clothing, fuel, light, etc.

United States, Wholesale (U.S. Dept. Labour)	Sept. 1921.	Aug. 1921.	July 1921.	Sept. 1920.
All commodities.	152	152	148	242

FREIGHTS

From Cardiff to		Nov. 17, 1921.	Nov. 10, 1921.	Nov. 17, 1920.
West Italy	(coal)	13/6	13/6	27/6
Marseilles	,,	13/0	13/0	22/6
Port Said	,,	16/3	16/0	20/0
Bombay	,,	21/0	20/0	—
Islands	,,	12/6	12/0	17/6
B. Aires	,,	20/	20/0	30/0
From				
W. Australia	(wheat)	47/6	51/3	135/0
B. Aires	(grain)	17/6	16/0	55/0
San Lorenzo	,,	20/0	17/6	60/0
N. Pacific	(wheat)	55/0	52/6	120/0
N. America	(grain)	4/0	4/0	8/10½d.
Bombay	(general)	20/0	20/0	67/6
Chili	(nitrate)	35/0	35/0	90/0
Alexandria	(cotton-seed)	10/0	10/6	23/0
Danube	(grain)	20/0	19/0	62/6

SECURITY PRICES

BRIT. AND COLONIAL GOVT.

	Nov. 17, '21.	Nov. 10, '21.	Nov. 17, '20.
Consols	49	49	44¾
War Loan 3½% ...	90	90	83⅝
Do. 4½% ...	81½	81	76½
Do. 5% ...	88	88	83 5/16
Do. 4% ...	97¾	97½	94¼
Funding 4% ...	73⅛	72⅝	67 13/16
Victory 4% ...	79½	79	73 13/16
Local Loans 3% ...	53⅛	53⅛	50½
Conversion 3½% ...	63⅜	63⅝	—
Irish Land 2¾% ...	48⅝	49	45
Bank of England ...	182	184	169½
India 3½% ...	56¾	56¾	55¼

FOREIGN STOCKS

Argentine 5% ...	95½	94	90
Belgian 3% ...	60¾	61	56
Brazil 1914 5% ...	64¾	63	58
Chilian 1886 4½% ...	84	82	80
Chinese 5% '96	83¼	83	76½
Egyptian 4% ...	68½	62	61½
French 4% ...	28¼	28½	36
German 3% ...	2⅝	2¼	6½
Greek 4% ...	31	30	40
Italian 3½% ...	22	22	22¼
Japanese 4½% (1st)	108	108½	108¾
Mexican 1899 ...	59	60	63½
Peruvian Corp. Pref.	15½	15½	25½
Russian 5% ...	9⅜	9	21
Spanish 4% ...	71	70	84½

HOME RAILS

Gt. Central Pref. ...	7¾	8¼	10¾
Gt. Eastern	27	27½	30¼
Gt. Northern Def. ...	22½	23	29
Gt. Western	66¾	68½	76½
Lancs and Yorks ...	46	49	53
Lond. Brighton Def.	36½	37¾	44½
Lond. Chatham ...	5⅝	5¾	7¼
L. & N.W.	65¾	68½	77
L. & S.W. Def. ...	17¾	19	20½
Metropolitan	23	23½	21
Do. District	16	16½	18
Midland Def.	39¾	42	48½
North Brit. Def. ...	9½	9½	12
North Eastern	68	69½	80¼
South Eastern Def.	20¼	21½	28
Underground "A" ...	4/9	4/9	6/9

FOREIGN AND COLONIAL RLYS.

Antofagasta	43	41	64½
Argentine N.E. ...	13½	12	22½
B.A. Gt. Southern	51½	54	68
Do. Pacific ...	32½	34	51½
Do. Western ...	51½	53	67
Canadian Pacific ...	144¼	144¾	169½
Central Argentine ...	48½	52	60½
,, Uruguay ...	36	34	58
Cordoba Central ...	8	8½	16
Entre Rios	13	11	25
Grand Trunk	1⅛	1	5¼
Do. 3rd Pref.	2¼	2½	12¼
Leopoldina	18	16	30
Mexican	12½	12	19
San Paulo	104	97	126
United of Havana ...	46½	47	72

INDUSTRIALS, ETC.

Anglo-Malay	1⅛	1 1/16	30/0
Anglo-Persian 2nd Pref.	21/9	21/9	—
Armstrong	14/6	16/6	21/0
Ass. Portland Cement	14/6	14/9	24/3
B.S.A.	8/9	8/0	17/6
Brit.-Amer. Tobacco	60/6	61/0	70/0
Brunner Mond ...	22/6	23/3	30/9
Burmah Oil	5 11/16	5 13/16	8 3/16
Coats	48/6	48/0	50/0
Courtaulds	33/7½	33/3	7⅝
Cunard	18/6	16/3	24/6
Dorman Long	15/0	15/6	23/6
Dunlop	7/9	8/1½	24/0
Furness Withy ...	22/9	21/6	29/6
Hudsons Bay	6 1/16	5 13/16	6⅜
Imp. Tobacco	48/6	48/0	48/6
Kern River	18/9	21/6	22/3
Listers	16/4½	15/9	26/3
Lobitos	4	3 13/16	4 7/16
Lyons	2⅝	2¾	4⅝
Marconi	1 19/32	1 23/32	2⅜
Maypole Def.	7/1½	7/1½	11/6
Mexican Eagle	5 5/16	3½	11¾
North Caucasian ...	12/6	11/3	20/0
P. & O. Def.	282½	280	455
Royal Mail	80	80	112
Rubber Trust	15/6	15/0	20/10½
Shell	4⅝	4 27/32	6¾
United Alkali	11/9	11/3	22/6
United Steel	9/0	10/0	17/0
Vickers	9/6	11/9	20/6

New Issues

An issue was offered at 95½ of £3,000,000 Western Australia 6 per cent. Inscribed Stock, 1930-1940. The proceeds will be used for the redemption of £2,000,000 Treasury Bills due 26th January, 1922, which were issued mainly for railways, harbours, water supply, and for settling ex-service men on the land, and about £1,000,000 Local Inscribed Stock due January 1st, 1922. "Western Australia Government Debentures and Inscribed Stock issued and payable in London, and the interest thereon, the property of persons not domiciled in Western Australia, are not, and will not be, subject to any taxes, duties or levies by that State." Provision has to be made by the State for a Cumulative Sinking Fund at the rate of one-half per cent. per annum. The accumulated Sinking Funds invested in the names of trustees in London now amount to about £8,000,000. No other information is given concerning the financial position of the borrower. The stock is a trustee security.

For the purpose chiefly of paying off temporary loans to meet capital expenditure on improvement and development, the Port of London Authority on Wednesday offered for subscription at £96 per cent. £2,000,000 6 per cent. Inscribed Stock. The principal is repayable at par on 1st July, 1940, the P.L.A. having the option of redemption at par on or after 1st July, 1930, on giving six months' notice. The stock offered will rank as to security *pari passu* with the 3½ per cent, 4 per cent. and 5¾ per cent. Inscribed Stocks, and the "B" Port Stock already issued. All the above stocks and that offered this week rank as to security immediately after the £9,379,752 "A" Port Stock issued under the powers of the Act, which provides that all Port Stock and the interest thereon shall be charged on the Port Fund and all the revenues of the Port Authority. The net revenue of the Authority for the financial year ended 31st March, 1921, was £2,954,401, which, after paying all charges, including interest on stock, and making full provision for maintenance and sinking funds in accordance with the Port of London Act, enabled the Authority to carry forward £896,044 as compared with £383,347 brought into the account from the previous year (subject to liability, if any, for Excess Profits Duty). The Authority's reserve fund now stands at over £980,000. The stock is, of course, a well-secured investment, though whether it is quite as well-secured as the price asked for it seems to indicate may be doubted. Investors, however, evidently had no such doubts, and the stock was eagerly swallowed. The prospectus was by no means a model in the matter of information imparted.

Applications were invited for an issue at 94 of £200,000 8½ per cent. First Mortgage Debenture Stock of Benson & Hedges (Canada), Limited, guaranteed, as to principal and interest, by Benson and Hedges, London. The stock is part of an issue limited to £220,000, redeemable in March, 1936, at £100 per cent., or earlier by means of an annual sinking fund beginning in 1924, to be applied in the purchase of Debenture Stock at or below 99, or by drawing at 100. Benson & Hedges (Canada), Limited, was incorporated under the Companies Acts of the Dominion of Canada, in January, 1917, to take over the Canadian business of cigar, cigarette and tobacco merchants, founded in Montreal in 1906 by Benson & Hedges, London. Since its incorporation the Company has had to rely for a large part of its supply of manufactured cigars upon Messrs. J. Hirsch & Sons, Limited, cigar manufacturers, Montreal, and in order to ensure the continuity of this supply, which is now essential to its business, the company has acquired the business of Messrs. J. Hirsch & Sons, Limited (through the purchase of its entire share capital) at a cost of $421,415, payable as to $105,300 in fully-paid Preference Shares of the company and as to the balance in cash. The proceeds of the present issue of Debenture Stock are required to repay money borrowed for this purpose and for the general purposes of the increasing business of the company. The stock is secured by a Trust Deed, constituting it a first, fixed and specific mortgage on (*a*) the land and buildings now owned by the company in Montreal, valued at $350,000, subject to a mortgage for $87,500, (*b*) $155,000 of the Preferred Shares and $140,100 of the Ordinary Shares of Benson & Hedges, New York, and (*c*) all the issued share capital ($100,000) of J. Hirsch & Sons, Limited, Montreal, and a floating charge on the remainder of the company's assets, present and future, including its uncalled capital. The land and buildings on which this £220,000 stock is specifically secured by first mortgage is valued at $262,500 net—not much more than a dollar to the pound. The securities pledged are a good backing only as long as the businesses are prosperous. The guaranteeing London company covenants not to charge its assets without the consent of the trustees for the debenture stock, "except in the ordinary course of business," an exception which might mean a good deal. The security is thus far from strong, apart from the earning power of the company and its allied businesses. As to this, profits are only shown since 1917 and so are largely based on a period of feverish prosperity and extravagance. The British Empire Trust appears to be taking the difference, less expenses of investigation, underwriting, advertising, etc., between 82 and the issue price, plus 1,000 fully paid ordinary shares of the company. This remuneration looks somewhat excessive. The issue has few attractive features.

Foreign News

United States

Addressing the Bankers' Convention at Los Angeles recently Mr. Alexander D. Noyes, Financial Editor of the *New York Times,* drew an analogy between the present economic confusion and that which succeeded previous wars. He reminded his hearers that during the periods which immediately succeeded past conflicts the economists of those days were often doleful and prone to indulge in gloomy prophecy. To quote Mr. Noyes :—

> These older prophecies of permanent economic ruin rested on two fallacies—first, that trade could remain permanently in a state of paralysis when one community was able to produce something which another community wished to purchase; second, that neither interest nor principal could ever be paid on an unprecedently large war debt because the taxes and revenues of the pre-war period had been insufficient to pay it. England was declared to be on the road to economic ruin half a dozen times and by her own economic writers, during the century of costly wars which ended with the Battle of Waterloo, and which raised the British public debt from £50,000,000 to £800,000,000. The total Federal revenue of the United States in the fiscal year before the war was not one-third of what was required solely for interest on the public debt when the war was over.
>
> Nobody in 1861 would have admitted the possibility of the American people, without impoverishing themselves in the process, paying aggregate annual taxes twelve times greater than they then were. But the American people did it, and the lowest sum to which the annual tax revenue ever got after the Civil War was more than seven times that of 1861. France was declared to be economically ruined three times within the compass of two centuries. She had not only been depleted of men and treasure, by the eventually disastrous campaigns of Louis XIV, of Napoleon and of the Franco-Prussian War, on all three occasions she lost, like Germany, great portions of her national domain. On the two later occasions she had to pay an indemnity to the enemy which was as positively declared impossible to pay by the Keyneses of that day as the German indemnity is asserted to be to-day. But the economic history of France after 1720 and 1815 and 1871 is an open book to all of us.

Turning to our own times, Mr. Noyes discovered grounds for optimism in that the European countries had greatly reduced their surplus imports during 1921 and that the note issues of England and France showed decreases.

CANADA

To the cities of Western Canada belongs the distinction of the first important attempt to base municipal revenues on the principle of a "Single Tax" upon land values. According to a report by the Canadian Financial Commissioners, raising of revenue by this means has proved very difficult, and enormous arrears of taxes have accumulated. The tax induced owners to develop their property beyond the normal demand, "with the result that increased taxation has been incurred, excessive capital expenditures have been made, and the supposed benefits of the tax have acted like a boomerang against the owners." Through the inducement which was given for the development of property, speculation was stimulated and fictitious prosperity created. As a result failure to pay taxation resulted in the confiscation of a large amount of property. Whilst condemning the single tax the Financial Commissioners state that the financial difficulties of the cities of Western Canada are also partially due to (*a*) The lack of town planning and the development of the community in a haphazard, spasmodic manner to suit the wishes of real estate speculators. (*b*) Lack of continuity and experience in administration.

SPAIN

Bills before the Cortes include one for the renewal of the Charter of the Bank of Spain and another for the Government control of private banks. The Bill for the renewal of the Charter includes a provision empowering the State to participate in dividends when they exceed 10 per cent. If the purpose is to confine the Banks' profits to moderate figures there is much to be said for the provision, but the ability to derive revenue from such a source might easily prove dangerous. Then, too, the Bill for the Government control of private banks grants privileges to those banks which submit to its terms, including the guarantee of the State in "special circumstances." Everything depends upon the nature of the special circumstances, but superficially the guarantee seems to have been dictated by diplomatic rather than by financial considerations.

RUSSIA

The Soviet Government originally hoped that by continued deliberate depreciation of its currency money would be abolished as a medium of exchange. It therefore proceeded by almost unlimited issues of notes to accomplish its object, and succeeded beyond its wildest dreams—so much so that a new financial and economic policy has been professedly inaugurated. This has for its purpose the restoration of the value of the rouble, and the Soviet Government has now to retrace its steps along the blind alley which it mistook for the main road to Utopia. This it does with very bad grace, for whilst private capital is to be allowed, credit facilities are only to be obtained through a State Bank now in process of formation; no private banks are to be permitted. By this step the Soviet anticipates "a gradual but steady improvement in the State budget, and in the exchange value of the rouble." We understand how it is that an improvement in the State budget is expected, for the o cially estimated revenue for 1922 includes 8,000,000,000,000 roubles from State enterprises and services and taxation, which figure no doubt includes a generous estimate of the Bank's contribution. But only a grappung with realities will produce "a steady improvement in the exchange value of the rouble."

THE PUBLIC TRUSTEE OFFICE.

Mr. Samuel Garrett was a member of the Committee appointed by the Lord Chancellor in 1919 to examine the position of the Public Trustee Office. He then dissented from the report of the majority and on Tuesday last the *Times* printed a letter from him setting forth his views of the position of this department. The conclusions which he draws are as follows:

(1) That the recommendations of the majority of the Committee of 1919 have been proved to be wholly inadequate to meet the situation. The malady needed the knife, which the majority refused to use.

(2) That the large increase in fees recommended by the majority and since adopted by the Treasury is undermining the financial stability of the Department.

(3) That new trusts now put into the hands of the Public Trustee run the risk of further increases in fees to enable the Public Trustee to make ends meet according to statute; and

(4) That the Department is in a vicious circle. It must augment its fees in order to pay its way, while such augmentation will by its deterrent effect reduce the business of the Department and thereby increase the deficit, necessitating a furthehr augmentation of fees to meet such deficit, and so on *ad finitum*.

Like other Government departments which sell services to the public, the Trustee Office has been obliged to raise the price of them owing to increased cost of production, but in its case the difficulty of doing so without losing business has been increased by competition on the part of banks and insurance companies which sell a similar service. Mr. Garrett contends that the office has been developed on a quite unnecessarily lavish scale.

Reviews

The Economics of Communism, with Special Reference to Russia's Experiment. By Leo Pasvolsky. Macmillan. 12s. 6d. net.

THERE is a bright side to the appalling tragedy that is now happening in Russia. It is not only that it has a sobering influence on the hotheads who want to improve the world by turning it upside down, and on thousands of thoughtful folk who might otherwise have been persuaded, chiefly by disgust with the effects of bad war finance, to give their experiments a trial. It is not only that it enables economists, when Prime Ministers and others talk glibly of rewriting or abolishing their science, to point to Russia as an example of the results of so doing. A still better reason for draining a bumper to Lenin, Trotsky & Co., is the most reassuring manner in which they have proved the power of human nature to rise up and kick, quite hard and effectively, against the pricks of economic tyranny applied under conditions that seemed to be the most favourable to its success. Even in Russia with a people accustomed to bureaucratic extortion and inured to giving blind obedience to oppressive authority, the attempt by a strongly armed and ruthless minority to impose an economic system on the inert mass of the majority has failed. Human nature has vindicated itself by showing a quite amazing power of resistance, and all who are interested by this really significant triumph of economic liberty will find its course most graphically described in this book by M. Pasvolsky, formerly editor of the *Russkoye Slovo* and the *Russian Review*. As no translator is mentioned he has apparently written himself in English, or rather American (for he says "back of." when he means "behind") that tells his astonishing story quite pleasantly. And astonishing is a mild word for it: it seems incredible, were it not for the many references to authorities—chiefly Bolshevist utterances and documents—by which it is supported.

"Universal labour conscription means that every workman is obliged to do the work which is assigned to him by the State." So said the People's Commissariat of Labour in a proclamation. The Russian working-man met this doctrine by just disappearing. "In his report on the militarization of labour, presented to the ninth Congress of the Russian Communist Party, Trotsky stated that at the beginning of 1920 there were in all the important branches of industry in Soviet Russia not much over one million workmen on the list of employees. The actual number at work, however, was only about eight hundred thousand. The rest were gone. If we recall that only two years before

this, in January, 1918, when the First All-Russian Congress of Trade and Professional Unions had its sessions, the number of men in nineteen principal industries represented at the Congress was 2,532,000, we can understand more clearly the significance of Trotsky's figures from the point of view of labour shortage. And it must be remembered, too, that Trotsky's figures refer to *all* the men employed, while the figures for the representation at the Congress of the Unions covers only organized labour, the total number being obviously much greater."

This disappearance of the Russian industrial workers is accounted for by Trotsky, in the report quoted by our author, by the statement that the workmen either have gone to the villages or into "spekulyatsia." That is to say, they have "either gone back to agricultural pursuits whence most of them came originally or else have gone into the most lucrative of all present day occupations, clandestine profiteering trade." Concerning the extent of this trade and the basis on which it is carried on some truly amazing statements are made by Mr. Pasvolsky, most of them quoted from an article by Mr. Frumkin which appeared in the Moscow *Pravda*. Bribery greases the whole disgusting machine. The private entrepeneur, allowed to survive under a thin disguise, has to pay bribes to everybody in the Soviet institutions. He pays for the very fact of receiving orders from the Government. He pays bribes "for the drawing up of the agreement; for the estimates; for the right to receive cash payment; for the right to obtain raw materials and fuel, and to countless controlling and receiving commissions." And the net result is that the whole energy of the officials of these State institutions is thus directed towards helping the privately owned enterprises and so the State owned enterprises naturally have to go short.

A further extraordinary example of the extent to which open bribery enables the community to evade the Soviet regulations is given concerning the Government monopoly of the sale of all food products. It is found impossible to enforce this monopoly in the villages, where large amounts of foodstuffs change hands secretly. These foodstuffs are carried to the cities in bags by a special class of middlemen known as "bagmen" who have "developed what appears to be marvellous technique" in avoiding arrest on the railroad trains while in transit. But besides the regular railroad guards the Soviet Government places at railway stations in the neighbourhood of large cities, guard detachments whose special task it is to deal with the bagmen. Mr. Pasvolsky quotes from an article in the Petrograd *Pravda* the following description of the manner in which these detachments do their work:

> The guard detachments intended for a struggle against the profiteering bagmen have become in the majority of cases merely an organisation for assisting spekulyatsia . . . . For a bribe in money, alcohol or substitute liquor, they not only permit the speculators to bring their products but even help them. At railroad stations one can often see these guardians of the law carrying bags with flour or other food products on their shoulders, pushing the passengers aside and followed by the speculators in whose pay they are, and whose contraband they carry.

It is a disgusting and terrifying example of the extent to which human nature can be demoralized by economic tyranny. But at least the tyranny is defeated.

Publications Received

Insurance against Unemployment, with Special Reference to British and American Conditions. By Joseph L. Cohen. P. S. King: 18s. net.

Monetary Policy.—Being the Report of a Sub-Committee on Currency and the Gold Standard. P. S. King: 2s. 6d. net.

Ocean Research and the Great Fisheries. By G. C. L. Howell. Oxford: Clarendon Press: 18s. net.

International Credits (the Ter Meulen Bond Scheme). An address delivered by Sir Drummond Fraser, organiser of the scheme. Harrison.

Lloyds Bank Monthly Financial Report.

Anglo-South American Bank, Cabled Reports from Branches.

Bulletin of the Federation of British Industries.

Dividends

Ashby's Staines Brewery.—10 p.c. for yr.

Assam Co.—Final 7½ p.c., making 15 p.c. for yr.

A. B. Fleming & Co.—Interim 5 p.c.

Alliance Insurance.—Interim at rate of 6/0 per shr.

Archibald Campbell, Hope & King.—Three yrs.' Preference divd. to 30th Sept., 1921 and 5 p.c. on Ord.

Australian Mercantile, Land and Finance.—Final 5 p.c., free of tax, making 10 p.c. free of tax. For 1919-20 12½ p.c. was paid.

Brickwood & Co.—Final on Ord. of 8 p.c.

Brunner, Mond.—Interim 2½ p.c., comparing with 5 p.c. yr ago.

City Equitable Fire.—3/0 per sh. on Ord. and 9d. per share on Participating Preference, comparing with 2/6 and 7½d. a year ago.

Callard, Stewart & Watt.—At the rate of 10 p.c. on Ord. shares for half year, making 10 p.c. for year.

Canadian Pacific Rly.—2½ p.c. on Common for qr. ended 30th Sept., being at the rate of 7 p.c. per annum from revenue and 3 p.c. per annum from special income a/c .

Chloride Electrical.—5 p.c. on Ord., tax free.

Cordova Land.—Final 2½ p.c. tax free, making 5 p.c. tax free.

Desford Coal.—Interim 2/0 per shr., free of tax.

Dorman, Long & Co.—At rate of 8 p.c. on Preferred Ord. for hf. yr. to 30th Sept. Final divd. on Ord. of 2½ p.c., tax free, making 5 p.c. for yr.

Drybrough and Co.—7½ p.c. for yr. to 31st July.

Eastman Kodak Co. of New Jersey.—In addition to usual July divds. of 1½ p.c. on Preferred and 2½ p.c. on Common, an extra divd. of 7½ p.c. upon Common.

Electric Construction.—Interim at rate of 7 p.c. on Preference and at rate of 6 p.c. on Ord.

Federated Rubber Growers.—Divd. on Cumulative Preference shares for hf yr. to 30th Sept., 1921, postponed, although profits have been earned for payment of divd.

Fine Cotton Spinners and Doublers.—Usual interim on Preference and Preferred Ord. and also interim of 2½ p.c. on Ord., being at rate of 5 p.c. per annum.

George M. Callender & Co.—In addition to usual divds. at £6 p.c. on Preference shares and £10 p.c. on Ord. shares directors recommend further divd. on Preference shrs., making £8 p.c., and further divd. on Ord. making 15 p.c.

Golden Horse Shoe Estates.—Interim 2s. 6d. per shr., tax free.

Hall's Oxford Brewery.—At rate of 10 p.c. on Ord., tax free.

Head, Wrightson and Co.—Final at rate of 2½ p.c. on Ord., making 7½ p.c.

India General Navagation and Rly.—Interim 2 p.c. on Ord. and 2½ p.c. on Preference, both free of tax.

Indian Electric Supply.—Interim 3 p.c. on Ord.

Indian and General Investment.—Interim for six months ending 31 Oct. at the rate of 5 p.c. on Preferred and at the rate of 8 p.c. on Deferred.

Ind Coope & Co.—Final on Ordinary of 7½ p.c., making 15 p.c. for yr. and a bonus of 25 p.c. The total distribution for the previous yr., including a bonus of 10 p.c., was 25 p.c.

Iris Spinning.—Three months' divd. of 3/0 per share.

Irish Times.—Final on Preference at rate of 5½ p.c. and on Second Preference at rate of 6½ p.c. Owing to prevailing economic conditions directors do not consider it prudent to recommend divd. on Ord.

Joseph Lucas.—At rate of 15 p.c. for six months ended 31st Aug., making 10 p.c. for yr., on both classes Ord. shrs. together with bonus of 5 p.c.

Joseph Stocks and Co.—20 p.c. on Preference for four years ended 30th Sept., 1914.

Kempton Park Racecourse.—Final of 15 p.c. together with a bonus of 10 p.c., making with the interim of 10 p.c. a total of 35 p.c. for the yr. free of tax.

Lloyds Packing Warehouses.—5 p.c. on Ord., making 10 p.c. for yr.

London Nitrate.—1/6 per shr., tax free.

London and Colonial Investment.—5 p.c. on Deferred, making 7½ p.c. for yr.

J. Lyons & Co.—Interim for hf yr. ended 30th Sept., of 2/0 per shr. on issued Ord. and one-fifth of this amount (4.8d.) per share on the issued proportional profit shr. capital.

Manning, Wardle and Co.—12 p.c. on Preference for two yrs.

Montevidio Gas and Dry Dock.—Interim on Ord. of 2 p.c., tax free. Reduced divd. mainly due to fall in exchange of remittances to London and losses resulting from coal strike.

Mount Lyell.—Under present circumstances payment of divd. impossible.

Newton, Chambers & Co.—Interim 2½ p.c., tax free, on both Preferred and Ord.

Santa Catalina Nitrate.—Final 10 p.c., making 20 p.c.

"Sanitas" Co.—Interim on Preference at rate of 9 p.c.

Star Paper Mill.—Final of 9d. per shr., making 1/6 per shr.

Sun Insurance.—Interim 9/0 per shr.

Triumph Cycle.—Final 10 p.c. on Ord., tax free, making 12½ p.c.

Trust and Loan of Canada.—Interim at rate of 6 p.c. per annum, together with bonus at rate of 1 p.c., both tax free.

Union Bank of Canada.—Final 2½ p.c., making 10 p.c.

Wardle and Davenport.—6¼ p.c. on Ord., making 10 p.c. for yr.

Weardale Lead.—Directors regret results do not warrant declaration divd.

Whiteaway. Laidlaw.—Interim 5 p.c., free of tax, on Ord.

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